

~~SECRET~~

15 June 1964

NOTES ON CONVERSATION WITH THE DIRECTOR RELATING TO
FAR EASTERN AFFAIRS

1. With respect to Southeast Asia, assume the following:
 - a. The US has put something more than token forces into the Mekong cities; has put a brigade into Saigon; has built up a modest air and air defense capability in South Vietnam; is promoting an insurgency in the southern end of the panhandle of Laos; in this latter operation South Vietnamese are the activists.
 - b. Presumably the US has been at least marginally successful in building the domestic base in South Vietnam; Khanh is still with us and if things are not looking up, at least they are not in decline. Souvanna Phouma is still nominally Prime Minister in Laos and the Thais have taken heart at our having erected a shield between the VM-PL and themselves.
 - c. A certain amount of military harassing activity has been directed against North Vietnam and perhaps against bases and supply routes located in southern China.

GROUP 1
Excluded from automatic
downgrading and
declassification

~~SECRET~~

SECRET

2. The question before the house is to think about what happens if at this point we make moves aimed at a rapprochement with Communist China. Third parties who suggest themselves as possible intermediaries in the early rapprochement moves are de Gaulle and Ayub.

3. The rapprochement, should it develop, would involve us in a very considerable aid program to Communist China, technological assistance for the development of power sites, flood control, etc. on the Yangtze and Yellow Rivers.

4. Other. It has been alleged that Mao has indicated that he could live with any settlement of the Taiwan issue which had been arrived at by plebiscite. Any truth in this allegation? If true, this would dispose of the problem of the GRC or a Republic of Taiwan.

25X1

5. What are your thoughts?

Sherman Kent

25X1

SECRET